

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF LEWIS C.) APPEAL NO. 07-A-2023
ROUNDS from the decision of the Board of) FINAL DECISION
Equalization of Bonneville County for tax year 2007.) AND ORDER

RURAL RESIDENTIAL PROPERTY APPEAL

THIS MATTER came on for hearing November 5, 2007, in Idaho Falls, Idaho before Board Member David E. Kinghorn. Board Members Lyle R. Cobbs and Linda S. Pike participated in this decision. Appellant submitted evidence in writing. Assessor Blake Miller and Appraiser Rick Haley appeared for Respondent Bonneville County. This appeal is taken from a decision of the Bonneville County Board of Equalization (BOE) modifying the protest of the valuation for taxing purposes of property described as Parcel No. RP 01N37E060026.

The issue on appeal is the market value of a rural residential property.

The decision of the Bonneville County Board of Equalization is affirmed.

FINDINGS OF FACT

The assessed land value is \$44,500, the improvements' valuation is \$101,552, and the other improvements value is \$16,500, totaling \$162,552. Appellant requests the land value be reduced to \$25,300, the improvements' value remain at \$101,557 and the other improvements value remain at \$16,500, totaling \$143,352.

Subject property is 3 acres improved with a residence. Appeal emphasis is on the land value. Subject's original assessed land value was \$46,900, which was reduced at BOE to the current \$44,500 value.

Appellant did not appear at hearing, however, did submit a letter for the Board to review as evidence regarding subject's assessed value.

The Taxpayer asserted the increase in land values was excessive when compared to farm

land, which was given a special exemption.

Appellant explained property adjacent to subject sold in 2006 for \$4,000 an acre. The Taxpayer also reported another property was assessed at \$12,600 per acre, and is located next to the city impact area, four miles closer to town than subject. No further information was provided.

Lastly, Taxpayer claimed while subject is assessed for \$12,000 per acre, a neighboring property is assessed for \$280 per acre. Therefore, Appellant argued the reduction of the neighboring land value generated an inequity when compared to subject assessed value.

The County explained subject did not qualify for an agricultural land exemption as the requirements of Idaho Code Section 63-604 were not met.

Respondent provided sales of land under five acres in size with selling dates which ranged from 1994 to 2006. In looking at the 2006 sales, property between .003 and 1.00 acres sold for between \$20,000 and \$48,000.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

Idaho Code Section 63-208. Rules pertaining to market value – Duty of Assessor. Rules promulgated by the State Tax Commission shall require each assessor to find market value for assessment purposes.

Idaho Code §63-604. LAND ACTIVELY DEVOTED TO AGRICULTURE DEFINED.

(1) For property tax purposes, land which is actively devoted to agriculture shall be eligible for appraisal, assessment and taxation as agricultural property each year it meets one (1) or more of the following qualifications:

(b) The area of such land is five (5) contiguous acres or less and such land has been actively devoted to agriculture within the meaning of subsection (1)(a) of this section during the last three (3) growing seasons; and

- (i) It agriculturally produces for sale or home consumption the equivalent of fifteen percent (15%) or more of the owner's or lessee's annual gross income; or
- (ii) It agriculturally produced gross revenue in the immediately preceding year of one thousand dollars (\$1,000) or more. When the area of land is five (5) contiguous acres or less, such land shall be presumed to be nonagricultural land until it is established that the requirements of this subsection have been met.

Subject did not qualify as agriculture land because no attempt was made to meet the criteria for the exemption. Under these circumstances, subject land can not have the same assessment as properties qualifying for the agriculture exemption.

Idaho Code Section 63-201(10) defines market value:

“Market Value” means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

Respondent's evidence demonstrates subject's assessment is based on sales information. The Board finds the assessed value does not appear to exceed market value, nor has the assessment otherwise been demonstrated to be in error.

Idaho Code § 63-511(4) - Appeals from county board of equalization, provides:

In any appeal taken to the board of tax appeals or the district court pursuant to this section, the burden of proof shall fall upon the party seeking affirmative relief to establish that the valuation from which

the appeal is taken is erroneous, or that the board of equalization erred in its decision regarding a claim that certain property is exempt from taxation, the value thereof, or any other relief sought before the board of equalization. *A preponderance of the evidence shall suffice to sustain the burden of proof.* The burden of proof shall fall upon the party seeking affirmative relief and the burden of going forward with the evidence shall shift as in other civil litigation. The board of tax appeals or the district court shall render its decision in writing, including therein a concise statement of the facts found by the court and the conclusions of law reached by the court. The board of tax appeals or the court may affirm, reverse, modify or remand any order of the board of equalization, and shall grant other relief, invoke such other remedies, and issue such orders in accordance with its decision, as appropriate. *(Emphasis added.)*

Appellant offered two sales but no documentation was provided. No appraisal or other factual information pertaining to the market value of the subject property was submitted for the Board to consider.

Appellant has not demonstrated by a preponderance of evidence that the relief claimed is warranted. The decision of the Bonneville County Board Of Equalization will be affirmed.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Bonneville County Board of Equalization concerning the subject parcel be, and the same hereby is, affirmed.

MAILED April 4, 2008